

TWENTY-EIGHTH ANNUAL STATEMENT

The London Life
Insurance Company
London, Canada

DECEMBER 31ST, 1902

London Life Insurance Company

Head Office: London, Canada.

Directors:

JOHN McCLARY,	LONDON
President McClary Manufacturing Co.	
WILLIAM BOWMAN,	LONDON
President Canada Chemical Manufacturing Co.	
JUDGE BELL,	CHATHAM
President Chatham Loan and Savings Co.	
WILLIAM F. BULLEN,	LONDON
Manager Ontario Loan and Debenture Co.	
THOS. H. SMALLMAN,	LONDON
Manager Canada Chemical Manufacturing Co.	
GEO. C. GIBBONS, K. C.,	LONDON
Gibbons & Harper, Barristers, &c.	
ARTHUR S. EMERY,	LONDON
Broker, Valuator, Auditor, &c.	
A. O. JEFFERY, K. C., LL.D., D. C. L.,	LONDON
Barrister, Solicitor, &c.	

Manager and Secretary:
JOHN G. RICHTER.

Medical Referee:
WILLIAM WOODRUFF, M. D.

Solicitor:
J. EDGAR JEFFERY.

Bankers:
MOLSONS' BANK.

F5012. 1902. 2662

Proceedings
OF THE
Twenty-Eighth Annual Meeting
OF THE
London Life Insurance Company

The Twenty-eighth Annual Meeting of the London Life Insurance Company was held at the Company's Offices, London, Canada, March 9th, 1903.

There were present : Messrs. A. O. Jeffery, Wm. Bowman, A. S. Emery, W. F. Bullen, Geo. C. Gibbons, T. H. Smallman, J. E. Jeffery, James McMillan, J. G. Richter, Edward E. Reid, J. F. Maine, London ; Judge Bell and J. W. Humphrey, Chatham ; J. E. Carson and Jas. Clarke, Toronto ; W. Pickering, Galt ; John McIllwraith, Woodstock ; G. W. Jarrell, Kingston ; James Dickson, Winnipeg ; and Captain C. W. Gunning, Halifax.

The Vice-President, Mr. Albert O. Jeffery, K.C., LLD., D.C.L., occupied the chair, and the Manager, Mr. John G. Richter, acted as Secretary.

The notice calling the meeting was read by the Secretary, after which the following Report and Financial Statement were submitted :

TWENTY-EIGHTH ANNUAL REPORT.

The Directors of the Company beg to submit Annual Report and duly audited Financial Statement for year ending December 31st, 1902.

During the year, 10,621 applications for insurance, amounting to \$1,579,911.30, were accepted and policies issued therefor.

The net Premium and Interest receipts of the year were respectively \$291,902.66 and \$63,200.45, totaling \$355,103.11, an increase of \$33,083.52 over the previous year.

The sum of \$62,939.72 was paid for Death Claims, \$5,960.00 for Matured Endowments and \$6,420.25 for Surrendered Policies and Cash Profits ; a total of \$75,319.97 paid Policy-holders or their heirs during the year.

The insurance in force on the Company's books at the close of the year, after deducting all Re-Insurances, amounted to \$6,827,834.37 ; under 3,419 "Ordinary" and 45,638 "Industrial," or a total of 49,057 policies — an increase of 2,470 policies for insurance of \$338,700.75 for the year.

The Assets of the Company, exclusive of uncalled but Subscribed Capital, amount to \$1,302,063.86, an increase of \$175,873.46 for the year. The interest and other payments falling due during the year were in the main satisfactorily met. No losses in respect of investments were incurred during the year.

The Liabilities of the Company under existing policies, and in all other respects, have been provided for in the most ample manner, the whole amounting to \$1,187,110.71. The surplus on policy-holders' account, exclusive of uncalled but subscribed capital, is \$114,953.15, and after deducting paid up capital, accumulating profits and contingent fund, there remains a net surplus over all liabilities and capital, of \$40,090.64.

JOHN McCLARY,
President.

TWENTY-EIGHT ANNUAL FINANCIAL STATEMENT
OF THE—

LONDON LIFE INSURANCE COMPANY
FOR THE YEAR ENDING 31st DEC., 1902.

Net Invested Assets, 31st Dec., 1901	\$ 1,066,769 82
Overdraft at Bank	13,222 63
	\$1,079,992 45
RECEIPTS.	
Interest on Investments	\$ 63,200 45
Ord. Prem. \$91,017.62, less Re-Ins. Prems. \$283.30	90,734 32
Industrial Premiums	201,168 34
	355,103 11
DISBURSEMENTS.	
Cash Profits Paid Policyholders	\$ 5,049 41
Paid for Surrendered Policies	1,370 84
Matured Endowments	5,960 00
Ordinary Claims	24,136 93
Industrial Claims	38,802 79
	\$ 75,319 97
Dividends	4,000 00
Ordinary Salaries	10,824 47
Ordinary Commissions	15,575 55
	26,400 02
Industrial Commissions	\$ 40,513 09
Industrial Salaries	23,888 20
	64,401 29
Travelling Expenses, \$5,797.20; Advertising, \$498.27; Office Furniture, \$549.30; Directors' Fees, \$1,044.00; Govt. Fees and Taxes, \$3,194.51; Legal Expenses, \$703.65; Com. on Investments, \$2,071.80; Postage and Exchange, \$809.10; Printing and Stationery, \$3,683.10; Medical Fees, \$3,736.25; Expense Account, \$5,385.50	
Net Invested Assets, 31st Dec., 1902	\$1,237,501 60

Cash in Office.....	\$ 11,800 00
Loans on Stocks.....	60,810 30
Loans on Policies.....	60,636 15
Bonds and Debentures.....	82,520 00
Loan Companies' Stock.....	1,007,798 24
Mortgages on Real Estate.....	5,637 10
Balance owing on Real Estate Sold.....	5,076 40
Loan Trust Account.....	<u>\$ 1,237,501 60</u>

ADDITIONAL ASSETS:

Premium Notes, net.....	\$ 3,366 90
Premiums in course of collection, net.....	10,757 96
Deferred Premiums, net.....	15,551 38
Interest Due and Accrued.....	34,886 02
Total Assets, 31st Dec., 1902.....	<u>\$ 1,302,063 86</u>

TO COVER LIABILITIES AS FOLLOWS:

Total Reserve on Policies in Force.....	\$ 1,163,736 21
Less Re-Ins. Reserve.....	<u>3,315 00</u>
Claims Accrued.....	\$ 1,160,421 21
Advance Premiums.....	10,770 30
Shareholders' Special Account.....	414 36
Dividends.....	282 21
Molsons Bank.....	2,000 00
Surplus on Policy-Holders' account, apportioned as under.....	<u>13,222 63</u>
Contingent Fund and Special Reserve.....	1,187,110 71
Accumulated Profits.....	74,862 51
Capital.....	<u>\$ 40,090 64</u>
Surplus over all Liabilities and Capital.....	<u>\$ 114,953 15</u>

To the Shareholders of the London Life Insurance Company: GENTLEMEN: This is to certify that I have carefully audited your Company's books for the year ending December 31st, 1902, and find them correctly and neatly kept. The annexed statement is in accordance with the books and gives a true showing of the Company's affairs. I have also examined the securities covering loans and find them in order.

JAMES MCMILLAN, AUDITOR.

London, February 6th, 1903.

The Actuary of the Company, Mr. Edward E. Reid, B. A., A. I. A., reported as follows :

The Reserve Liabilities of the Company, as shown in the statement, are computed on a 4% interest basis for business in both branches issued previous to 1900, on a 3½% basis for Ordinary business of the past three years, and on a 3% basis for Industrial business of the same period. A special reserve, also included in the Liabilities, is being accumulated for the purpose of placing the old business on a 3½% basis.

The other Liabilities of the Company have been as usual fully provided for. Not only have the declared profits still in the hands of the Company been entered as a liability, but under all policies, on other than the annual distribution plan, the full proportion of profits for uncompleted profit periods has been ascertained and included as a liability.

The investments of the Company are earning over 5½%. Of the fourteen Canadian Companies having business on their books under the old standard, nine are still valuing a considerable portion of their business on a 4½% basis, and with one exception are earning less than 5%. Two other Companies, besides the London Life, are valuing their old business on a 4% basis, and in both cases the interest earnings are about 5%. Two of the remaining Companies value their old business on a 3½% basis, one earning 4½% and the other 5¼%. The remaining Company values all its business on a 4% basis. It will be seen at once that the position of this Company in respect to its policy values is well in the forefront of its competitors.

The Vice-President, in moving the adoption of the report, said :

Gentlemen,—The Report of the Directors and the accompanying Financial Statement before you afford very full information regarding the past year's operations.

The business of the Company is being conducted on eminently safe lines, and that it is being conducted with due regard to economy as well, is evidenced by the very favorable profits which are being paid participating policyholders, and the continuous increase in the surplus over capital and all other liabilities.

The funds of the Company are being kept well invested.

The various securities which go to make up the sum total of the Assets are without exception good interest bearing securities of a high class, not likely to depreciate in value or result in other loss to the Company.

The Liabilities of the Company under its various outstanding obligations have, as the report of the Actuary shows, been computed on a more than ordinarily stringent basis, and nothing has been omitted that ought to be taken into account in this connection.

The surplus of Assets over all Liabilities and Capital, which now amounts to over \$40,000, shows the Company to be in an exceptionally strong financial position.

With these remarks I beg to move the adoption of the report.

Judge Bell, in seconding the adoption of the report, said :

The report for the year must be considered very satisfactory when the general conditions at present existing are taken into consideration. The number of Companies operating in Canada is so very much out of proportion to the extent of the field that the

cost of obtaining business is assuming a very serious aspect.

The Company has, however, been enabled to write about the same amount of business as in the previous year, and at the same time strengthen its financial position very materially.

The net surplus shows an improvement of \$6,622.64 over the previous year, and in addition nearly \$6,000 has been added to the Contingent and Special Reserve accounts. This has been done without incorporating in the statement any of the items frequently used to swell the amount of the Assets, such as agents' advances, office furniture, subscribed capital, etc., some of which may have very little actual value.

The surplus shown by the London Life is unique in that no part of it consists of unapportioned profits. The sound basis upon which the Company's affairs are placed must prove very gratifying to the policy-holders as well as the stock-holders.

The adoption of the report was carried unanimously.

A hearty vote of thanks was tendered the agents and other employees of the Company for the satisfactory manner in which they discharged their several duties during the year.

A by-law was passed changing the date of the holding of the Annual Meeting from the second Monday in the month of March, as heretofore, to the second Monday in the month of February, on which date the Annual Meeting will hereafter be held.

The election of Directors resulted in the re-election of Messrs. John McClary, President ; A. O. Jeffery, Vice-President ; Wm. Bowman, Geo. C. Gibbons, W. F. Bullen, A. S. Emery, Judge Bell, and T. H. Smallman, for the ensuing year.

MATURED ENDOWMENTS PAID, 1902.

244	Nesbit, David A.	Newburgh, Ont.	\$ 250 00
2424	Stevenson, Wm.	Listowel, Ont.	1,000 00
200	Smith, Robert	Woodstock, Ont.	150 00
1079	Stiefelmeyer, Hy. J.	New Hamburg, Ont.	1,000 00
2451	Begg, John A.	Innerkip, Ont.	1,000 00
84	Rodgers, Geo. H.	London, Ont.	80 00
2686	Woolverton, Solon	London, Ont.	1,000 00
4195	Gledhill, Alton S.	Benmiller, Ont.	1,000 00
266	Hughes, Peter	Spokane, Wash.	400 00
112	Lickman, Geo. T.	Essex, Ont.	80 00

ORDINARY CLAIMS PAID, 1902.

4638	Olsen, Oliver	Winnipeg, Man.	\$1,000 00
341	Thrasher, Edwin	Harrow, Ont.	175 41
1980	Fowler, John	Dutton, Ont.	963 04
334	Gordon, Jr., Hy. W.	Buffalo, N.Y.	450 00
8570	Healy, John F.	Winnipeg, Man.	1,000 00
1869	Hodgins, Wm. S.	Waterloo, Ont.	1,000 00
271	Lister, Jas. F.	Toronto, Ont.	933 33
5333	Oliver, Wm. H.	Staffa, Ont.	1,000 00
143	Nugent, Rev. F. E.	Plattsburgh, Ont.	81 60
7828	Alexander, Mary J.	Chatham, Ont.	1,000 00
6880	Murray, Agatha A.	Kingston, Ont.	250 00
1949	McGinnis, Jos.	Toronto, Ont.	100 00
8491	Darcy, John M.	London, Ont.	1,000 00
1573	Bloor, Chas.	Ingersoll, Ont.	1,000 00
7093	Albert, Wm. A.	Windsor, Ont.	399 75
8235	Thomas, Jas. R.	Halifax, N. S.	1,000 00
327	Smith, Frederick W.	Ottawa, Ont.	393 80
8515	Burtch, Leslie E.	London, Ont.	1,000 00
3393	Reid, M. D., John A.	Sault Ste. Marie, Ont.	1,000 00
1531	Perreault, Caroline	Windor, Ont.	250 00
5190	Hughson, John B.	Lanbeth, Ont.	1,000 00
2885	Harrison, Geo. M.	Glencoe, Ont.	5,000 00
5786	Werry, Wm.	Crystal City, Man.	1,000 00
1126	Thompson, Gibson	Stratsford, Ont.	100 00
7604	Butchart, Marshall J.	Carman, Man.	2,100 00



A. TALBOT & CO., LONDON, ONT.

